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10/064,745	08/12/2002	James R. Birle JR.	MLCO.P-002	6610

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BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Application Number: 10/064,745
Filing Date: August 12, 2002
Appellant(s): BIRLE ET AL.

James Birle
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 5/7/07 appealing from the Office action mailed 9-7-06.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings that will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

The following is a listing of the evidence (e.g., patents, publications, Official Notice, and admitted prior art) relied upon in the rejection of claims under appeal.

This application is not being rejected on 102 or 103 prior art therefore no prior art references are evidence relied upon

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims. This is a verbatim copy of the final rejection mailed on 9/7/06.

DETAILED ACTION

Double Patenting

In view of the applicants comments the examiner will withhold double patenting rejection until pending claims have been granted.

Claim Rejections - 35 USC § 112

The Examiner has read and reviewed all of the information provided by the Applicant. The examiner rejects as final claims 1-95 under 35 USC 112.

According to a definition of promise it is:

"promise - something that has the effect of an express assurance; indication of what may be expected."

However, as described in the examples from the applicant a promise is "a person signing a credit card slip" and they "promise" to pay the merchant. Using this example a merchant would want more assurance than they "may" be paid. If this example were the intension of the applicant and for clarity the examiner would propose using "contractually agrees" or the like. The examiner will interpret it as such.

Additionally, everything in claim 1 after "promising" is interpreted by the examiner as intended use only in it's current form. The promising step has no relationship to the converting step. As the claim current reads it is interpreted to only include:

"issuing the financial instrument

converting the instrument upon request"

All other language is interpreted as intended use only in this current form. The examiner believes that the applicant intends to have the additional feature or would not have included them in the claim language and suggests rewording the claim as to positively recite them in the claim. Such as

"converting based on the contractual agreement...."

In it's current form it is incomplete and unclear.

A recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim.

Additional, the term "converting" does not specify, "what it is being converted into"

Appropriate action is required.

Claim Rejections - 35 USC § 101

The Examiner has read and reviewed all of the information provided by the Applicant. The examiner rejects as final claims 10-25 & 35-43 & 52-59 & 62-75 & 84-90 & 92 & 95 under 35 USC 101.

The Examiner redraws the attention in particular to at least the independent claims recite a "financial instrument" or an "offering document."

The examiner would like to provide further explaination by explaining that the claims are rejected under 35 USC § 101 because the claimed inventions are directed to non-statutory subject matter. The claims are directed to disembodied data structure

which are per se are not statuatory (*In re Warmerdam,* No. 93-1294 (Fed. Cir. August 11, 1994)).

Note that functional descriptive material consists of data structure and computer programs which impart functionality when employed as a computer component. Nonfunctional descriptive material includes but is not limited to music, literary works and a compilation or mere arrangement of data.

In the present case, the claimed data structure is mere arrangement of data without any associated functionality. The applicant argues that data structures are "to store data" that defines an organizational model. However, the intended use of the data structure does not impart functionality to the data structure where the data structure is mere arrangement of data. The data structures merely store data which are non functional since without any association with programmed code executable by a processor their functionality cannot be realized.

Quoting MPEP section 2106. IV. B. 1.

"When nonfunctional descriptive material is recorded on some computer-readable medium, it is not statutory since no requisite functionality is present to satisfy the practical application requirement. Merely claiming nonfunctional descriptive material stored in a computer-readable medium does not make it statutory. Such a result would exalt form over substance. In re Sarkar, 588 F.2d 1330, 1333, 200 USPQ 132, 137 (CCPA 1978) ("[E]ach invention must be evaluated as claimed; yet semantogenic considerations preclude a determination based solely on words appearing in the claims. In the final analysis under 101, the claimed invention, as a whole, must be evaluated for

what it is.") (quoted with approval in Abele, 684 F.2d at 907, 214 USPQ at 687). See also In re Johnson, 589 F.2d 1070, 1077, 200 USPQ 199, 206 (CCPA 1978) ("form of the claim is often an exercise in drafting"). Thus, nonstatutory music is not a computer component and it does not become statutory by merely recording it on a compact disk."

The applicant's argument that the data structure of the computer readable medium "stores data that defines organizational model that controls a network-based budget planning system for reconciliation of target data and forecast data for an organization" is not persuasive because the data structures themselves are passive and cannot perform any function. Only when the Data structures are used or accessed in conjunction with programmed computer instructions codes to realize the underlying functionality. In the instant case, the data structure is mere arrangement of storing data pertaining to an organizational model which is intended to perform the aforementioned functionality, however, the functionality itself as asserted by the applicant is not positively recited.

While the above example from the MPEP is direct to data and computer structure the same principals hold true for "financial instrument" or an "offering document."

Corrective action to Claims 10-25 & 35-43 & 52-59 & 62-75 & 84-90 & 92 & 95 are required.

(10) Response to Argument

Argument for 101 rejection of "financial instrument" or an "offering document"

Appellant argues financial patents in the paper-based technologies have been granted continuously for over two hundred years.

The examiner refutes the argument and draws attention to 101. In particular, with respect to noted claims Examiner finds the claims lack a tangible result. Examiner notes that the focus of this analysis is on the result, not the individual steps.

With respect to a tangible result, the process must produce a real-world result. The independent claims of a "financial instrument" does not have a real-world result – it must execute something – which it does not do. At the end of the day this claim is simply an abstract idea.

Additionally the examiner would like to note that originally there were two applications with identical claims 1-95. Application 10-476-705 keep the methods claims and was allowed.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

8/1/07

Kirsten Sachwitz Apple
Primary Examiner
Art Unit 3693

Conferees:

James Kramer, SPE

Vincent Millin, Appeals Conference Specialist